

privatize Social Security, all independent observers indicate, will cost at least \$2 trillion.

While he wastes money on missile defense, he is shortchanging homeland security, all the while proposing more tax cuts for people who do not need them while ignoring the needs of those who do. No wonder he wants to talk about JOHN KERRY's fiscal proposals. His record is indefensible.

#### EBAY PART OF 21ST CENTURY ECONOMY

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, last week, we had a great statement made by Vice President CHENEY talking about the new 21st century vibrant economy. He pointed to the fact that there are, in this new economy, 430,000 Americans who make their income, their living, selling on eBay. They are entrepreneurs.

Over the weekend, there were a number of pundits who criticized him, saying, Well, because of the slow economy, that Vice President CHENEY was advocating that people go down and find something in the basement and sell it on eBay, and that will take care of them.

The fact of the matter is, that is not what he was saying. He was talking about an industry that did not exist 10 years ago; eBay did not even exist. Today, we have got nearly half a million Americans earning their living on eBay. Frankly, if you look at the number of people who are selling things on eBay, it is in the millions.

So, Mr. Speaker, it is important for us to acknowledge that this administration and this Congress are helping us build and expand in this new 21st century economy.

#### THE REPUBLICANS HAVE LOST THEIR WAY

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, what were they thinking? The Republicans that control this House look at our economy and the job losses, the declining wages and rising cost of health care, and you know what they think the problem is? That the people are earning too much overtime pay. So they decided to cut it for 6 million American families.

They look at jobs going overseas, and do you know what they think the problem is? They do not think there are enough jobs going overseas, so they continue to vote for tax credits to help companies send jobs overseas rather than create them at home.

And they look at crime in America, and do you know what they think the problem is? That there are not enough

guns and assault weapons on our streets, so they let the assault weapons ban expire and want to end the gun ban in the District of Columbia.

They look at the cost of pharmaceuticals, and they decide that they are not as expensive as the senior citizens in this country find them. So they decide they are not going to let them go to Canada. They are not going to let them reimport drugs from overseas to cut the cost of drugs. Rather, they are going to prosecute them and the governments, cities and counties that are trying to help those individuals have affordable drugs.

They have lost their way.

#### CONSTITUTION RESTORATION ACT PROMISES FREEDOM OF RELIGION

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, the American Congress in 1776 adopted a Declaration of Independence which asserted the belief that we are endowed by our creator with certain inalienable rights. In fact, the Congress that adopted the first amendment and its freedom of religion clause also established the chaplaincy and the practice, as we saw today, of opening this House in prayer.

Nevertheless, over the past 42 years, since the famous prayer in school cases, our Federal courts have showed increased hostility toward the acknowledgement of God in the public square. But as we heard yesterday before the Judiciary subcommittee, Congress can finally do something about it.

The Constitution Restoration Act simply put, Mr. Speaker, would use article III powers to deny the Federal courts jurisdiction over any case where the action is brought because a public official simply acknowledges God.

Let us restore that basic freedom of religion in the public square, the acknowledgment of God that our founders so cherished and enshrined in this institution. The freedom of religion must never become the freedom from religion. Let us pass the Constitution Restoration Act in this Congress.

#### AMERICA NEEDS A LEADERSHIP TRANSPLANT

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, among all the chaos and the economy and Iraq, the administration is bellying these days about tort reform. It is the solution to a national health care crisis, they shout. That is the closest thing to a perpetual motion machine and just as phony.

Tort reform is a smoke screen by the administration to cover its own failure to do anything about the health care

crisis. The administration squandered 4 years and did nothing on premiums, slamming Americans with double-digit increases year after year. Americans cannot find decent jobs. That is why millions do not have health care. Millions of other Americans with jobs cannot afford the premiums.

But the administration has to cover its tracks, so they launch a diversion against the lawyers, and they are blaming the other guy because JOHN KERRY actually has a health care plan.

The President has a plan. It is called more of the same; 4 more years of record profits for special interests; 4 more years of skyrocketing costs for the average American; 4 more years of failure; and a 17 percent increase for seniors.

America needs a leadership transplant, and surgery is set for the 2nd of November.

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#### THE 150TH ANNIVERSARY OF THE REPUBLICAN PARTY

(Mr. COX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX. Mr. Speaker, this is the 150th anniversary year of the Republican Party. Over a century and a half, from the abolition of slavery to the establishment of women's suffrage, to the freeing of millions in the Soviet Empire and Afghanistan and in Iraq, the Republican Party has been the most effective political organization in the history of the world in advancing the cause of freedom.

So that all of us can learn more about the achievements of this fundamentally American institution in its 150th anniversary year, the House Republican Policy Committee has published the 2005 Republican Freedom Calendar. Each day of the year, the calendar lists an important milestone of the Republican Party's history of advancing freedom and civil rights in America.

It was on this day in 1901, 103 years ago, that America mourned the death of Republican President William McKinley, who established an impressive civil rights record. To show his support for African Americans, President McKinley defied Democrat protests to travel to Alabama and deliver an address at the Tuskegee Institute, which was founded by the celebrated African American Republican Booker T. Washington.

Mr. Speaker, the calendar is available on line at [policy.house.gov](http://policy.house.gov).

#### BUSH PROPOSALS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, Republicans are at it again. President Bush yesterday attacked Senator KERRY's

budget plan; yet President Bush has presided over the biggest budget deficit in our Nation's history.

Now it appears all the domestic proposals President Bush listed off during his convention acceptance speech will cost \$3 trillion over 10 years. That is at least \$1 trillion more than the initiatives that Senator KERRY has proposed.

And despite this huge price tag, President Bush continues to deceive the American people by telling them that this can all be done without raising taxes on one single American. Over the past 4 years, we have gone from record surpluses to record deficits. It is because we have a man in the White House and leaders here in Congress who simply cannot balance a checkbook.

It is time for the President to level with the American people. He simply cannot afford all these new proposals without either raising taxes or increasing the deficit even more.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OSE). The Chair will remind all Members that remarks in debate may not engage in personalities toward the President or the Vice President, or the acknowledged candidates for those offices.

Policies may be addressed in critical terms. But personal references of an offensive or accusatory nature are not proper.

#### PROVIDING FOR CONSIDERATION OF H.R. 4571, LAWSUIT ABUSE REDUCTION ACT OF 2004

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 766 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 766

*Resolved*, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 4571) to amend rule 11 of the Federal Rules of Civil Procedure to improve attorney accountability, and for other purposes. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; (2) the further amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Turner of Texas or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for 40 minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

The resolution before us is a well-balanced, modified closed rule that provides for 1 hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The rule waives all points of order against consideration of the bill and provides that the bill shall be considered as read for amendment. The rule provides that the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted and also makes in order the amendment printed in the Committee on Rules report accompanying the resolution, if offered by the gentleman from Texas (Mr. TURNER) or his designee. This amendment shall be considered as read and shall be debatable for 40 minutes equally divided and controlled by the proponent and the opponent.

Finally, this rule waives all points of order against the amendment printed in that report and provides for one motion to recommit with or without instructions.

Mr. Speaker, I rise today in strong support of the rule for H.R. 4571, the Lawsuit Abuse Reduction Act of 2004, as well as the underlying legislation. This bill offered by the gentleman from San Antonio, Texas (Mr. SMITH), my good friend, is carefully constructed legislation that will create a disincentive for attorneys and plaintiffs to file many of the frivolous lawsuits that currently clog our court system and act as a drain on our Nation's economy.

Just 6 months ago almost to the day, I came to the floor to manage the rule for H.R. 339, the Personal Responsibility in Food Consumption Act. Later that day the House voted overwhelmingly by a vote of 267 to 139 to require courts to dismiss frivolous lawsuits seeking damages for injuries resulting from obesity and its intended health problems that are filed against the producers and sellers of food. Through passing this legislation today, we have another opportunity to help bring our tort system back to reality by amending the Federal Rules of Civil Procedure to impose greater attorney and client accountability for pursuing other frivolous or nuisance lawsuits.

Our current tort system costs American consumers well over \$200 billion a year, the equivalent of a 5 percent tax on wages. Our courts today handle cases ranging from legitimate claims to those that are highly suspect and wasteful of time and resources. Some of these examples of lawsuit abuse in-

clude a woman in Knoxville, Tennessee, who sought \$125,000 in damage against McDonald's, claiming a hot pickle dropped from a hamburger, burned her chin and caused her mental injury. Her husband also sued for \$15,000 for loss of consortium. Or the case of the Girl Scouts of America in metro Detroit, who have to sell 36,000 boxes of cookies each year just to pay for their liability insurance. In fact, according to a former Girl Scout from the greater Philadelphia, Pennsylvania area, frivolous litigation is making it increasingly hard for them to even sell their cookies and their local convenience stores will no longer allow these girls to set up their booths anymore for fear of liability issues.

This economic drain, created by frivolous lawsuits on American productivity, is unacceptable and prevents the American economy from being as competitive as it should be with the rest of the world.

H.R. 4571 will help to discourage the filing of frivolous lawsuits by restating several important provisions to rule 11 of the Federal Rules of Civil Procedure that were changed in 1993 and add several new deterrents against baseless claims. In short, this legislation will make rule 11 sanctions against attorneys or parties who file frivolous lawsuits mandatory rather than discretionary. It will remove rule 11 safe harbor provisions that currently allow parties and their attorneys to avoid sanctions for making frivolous claims by withdrawing them within 21 days after motions for sanctions that have been filed. It implements a "three strikes and you're out" provision that would disbar any lawyer for at least 1 year that filed three frivolous lawsuits in Federal court. It allows for rule 11 sanctions for frivolous or harassing conduct during discovery, and it allows monetary sanctions, including attorney fees and compensation against a represented party.

The Lawsuit Abuse Reduction Act also provides new protections against frivolous lawsuits such as extending rule 11 sanctions to State cases that affect interstate commerce, and reducing forum shopping by requiring that a plaintiff in a civil tort action may sue only where he or she lives or was injured or where the defendant's principal place of business is located.

A recent poll found that 83 percent of likely voters believe that there are too many lawsuits in America and 76 percent believe that lawsuit abuse results in higher prices for goods and services. Another poll found that 73 percent of Americans support requiring sanctions against attorneys who file frivolous lawsuits, just as H.R. 4571 would do.

Small businesses, the engine of job growth in our economy, rank the cost and availability of liability insurance as second only to the costs of health care as their top priority, and both problems are fueled by frivolous lawsuits. A recent report by AEI-Brookings Joint Center for Regulatory Studies has concluded: "The tort liability